
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 3, 2025 (March 01, 2025)

COMMUNITY HEALTH SYSTEMS, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-15925
(Commission File Number)

13-3893191
(IRS Employer
Identification No.)

4000 Meridian Boulevard
Franklin, Tennessee
(Address of Principal Executive Offices)

37067
(Zip Code)

Registrant's Telephone Number, Including Area Code: 615 465-7000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value	CYH	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On March 1, 2025, CHS/Community Health Systems, Inc. (“CHS”), a wholly-owned subsidiary of Community Health Systems, Inc. (the “Company”), and certain wholly-owned subsidiaries of CHS (the “CHS Selling Entities”), completed the transactions contemplated by that certain asset purchase agreement dated as of November 22, 2024 (the “Purchase Agreement”), with Adventist Health System Sunbelt Healthcare Corporation and certain of its affiliates (collectively, “Purchaser”), the entry into which Purchase Agreement was previously disclosed on a Current Report on Form 8-K filed by the Company on November 22, 2024. Pursuant to the Purchase Agreement, at such closing, Purchaser (i) acquired substantially all of the assets, and assumed certain liabilities, from the CHS Selling Entities related to ShorePoint Health - Port Charlotte in Port Charlotte, Florida, (ii) acquired certain assets of ShorePoint Health - Punta Gorda in Punta Gorda, Florida from the CHS Selling Entities, and (iii) acquired certain ancillary businesses related to such facilities from the CHS Selling Entities (collectively, the “Facilities”) (the transactions contemplated by the Purchase Agreement, the “Transactions”). The purchase price paid to the Company in connection with the Transactions at a preliminary closing on February 28, 2025, after giving effect to estimated working capital and purchase price adjustments, was approximately \$260 million in cash (subject to a post-closing working capital adjustment).

The Purchase Agreement is filed as [Exhibit 2.1](#) (which is incorporated by reference herein) in accordance with the rules of the Securities and Exchange Commission. The representations, warranties, and covenants contained in the Purchase Agreement were made solely for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to the Purchase Agreement, may have been qualified in the Purchase Agreement by confidential disclosure schedules (which disclosure schedules may contain information that modifies, qualifies and creates exceptions to the representation, warranties and covenants set forth in the Purchase Agreement), may be subject to limitations and contractual risk allocation mechanisms agreed upon by the parties to the Purchase Agreement, and may be subject to standards of materiality that differ from what an investor may view as material, and thus should not be relied upon as necessarily reflecting the actual state of facts or conditions.

The Transactions constituted a significant disposition for purposes of Item 2.01 of Form 8-K. Accordingly, the pro forma information required by Item 9.01 of Form 8-K is included as [Exhibit 99.1](#) to this Current Report on Form 8-K as provided below.

Item 8.01 Other Events.

On March 3, 2025, the Company issued a press release announcing the completion of the Transactions, a copy of which press release is filed as [Exhibit 99.2](#) to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(b) Pro forma financial information

The following unaudited pro forma financial information of the Company in connection with the Transactions is filed as [Exhibit 99.1](#) to this Current Report on Form 8-K and is incorporated herein by reference:

- Unaudited Pro Forma Condensed Consolidated Statement of Loss for the year ended December 31, 2024.
- Unaudited Pro Forma Condensed Consolidated Balance Sheet as of December 31, 2024.
- Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
2.1	Asset Purchase Agreement dated as of November 22, 2024 (incorporated by reference to Exhibit 2.1 to Community Health Systems, Inc.’s Current Report on Form 8-K filed November 22, 2024 (No. 001-15925))*
99.1	Community Health Systems, Inc. Unaudited Pro Forma Condensed Consolidated Financial Statements
99.2	Press Release of Community Health Systems, Inc. dated March 3, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of such omitted schedules and exhibits to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMMUNITY HEALTH SYSTEMS, INC.
(Registrant)

Date: March 3, 2025

By: /s/ Tim L. Hingtgen
Tim L. Hingtgen
Chief Executive Officer and Director
(principal executive officer)

COMMUNITY HEALTH SYSTEMS, INC.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On November 22, 2024, CHS/Community Health Systems, Inc. (“CHS”), a wholly-owned subsidiary of Community Health Systems, Inc. (the “Company”), and certain wholly-owned subsidiaries of CHS (the “CHS Selling Entities”), entered into a definitive asset purchase agreement (the “Purchase Agreement”), with Adventist Health System Sunbelt Healthcare Corporation and certain of its affiliates (collectively, “Purchaser”), providing for the sale of (i) substantially all of the assets, and the assumption of certain liabilities, related to ShorePoint Health - Port Charlotte in Port Charlotte, Florida, (ii) certain assets of ShorePoint Health - Punta Gorda in Punta Gorda, Florida, and (iii) certain ancillary businesses related to such facilities (collectively, the “Facilities”) (the transactions contemplated by the Purchase Agreement, the “Transactions”). On March 1, 2025, the Transactions were completed pursuant to the terms of the Purchase Agreement. The purchase price paid to the Company in connection with the Transactions at a preliminary closing on February 28, 2025, after giving effect to estimated working capital and other purchase price adjustments, was approximately \$260 million in cash (subject to a post-closing working capital adjustment).

The Company has determined that the operations of the Facilities that were divested in the Transactions do not meet the definition of discontinued operations pursuant to Financial Accounting Standards Board Accounting Standards Codification 205 (ASC 205), “Presentation of Financial Statements.”

The accompanying unaudited pro forma condensed consolidated balance sheet of the Company is presented as if the Transactions had occurred as of December 31, 2024. The estimated gain on sale in connection with the Transactions is reflected in the unaudited pro forma condensed balance sheet within accumulated deficit.

The accompanying unaudited pro forma condensed consolidated statement of loss for the year ended December 31, 2024 (the “Pro Forma Period”) includes certain pro forma adjustments to illustrate the estimated effect of the Company’s disposition, as if the Transactions had occurred on January 1, 2024. The amounts included in the historical columns represent the Company’s historical balance sheet and statement of loss for the Pro Forma Period presented.

The accompanying unaudited pro forma condensed consolidated financial statements have been prepared in accordance with Article 11 of Regulation S-X and do not include all of the information and note disclosures required by generally accepted accounting principles of the United States (“GAAP”). Pro forma financial information is intended to provide information about the continuing impact of a transaction by showing how a specific transaction might have affected historical financial statements. Pro forma financial information illustrates only the isolated and objectively measurable (based on historically determined amounts) effects of a particular transaction, and excludes effects based on judgmental estimates of how historical management practices and operating decisions may or may not have changed as a result of the transaction. Therefore, pro forma financial information does not include information about the possible or expected impact of current actions taken by management in response to the Transactions, as if management’s actions were carried out in previous reporting periods.

The unaudited pro forma condensed consolidated financial information is subject to the assumptions and adjustments described in the accompanying notes. These assumptions and adjustments are based on information presently available. Actual adjustments may differ materially from the information presented. The unaudited pro forma condensed consolidated financial statements are based on the historical financial statements of the Company for each period presented and in the opinion of the Company’s management, all adjustments and disclosures necessary for a fair presentation of the pro forma data have been made. These unaudited pro forma condensed consolidated financial statements are presented for illustrative purposes only and are not necessarily indicative of the results of operations or financial condition that would have been achieved had events reflected been completed as of the dates indicated, and may not be useful in predicting the impact of the Transactions on the future financial condition and results of operations of the Company due to a variety of factors. These unaudited pro forma condensed consolidated financial statements and the notes thereto should be read in conjunction with the Company’s financial statements for the year ended December 31, 2024, included in the Company’s Annual Report on Form 10-K filed on February 19, 2025.

Unaudited Pro Forma Condensed Consolidated Balance Sheet
(In millions)

	December 31, 2024		
	As Reported	Pro Forma Adjustments	Pro Forma
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ 37	\$ 260 a	\$ 297
Patient accounts receivable	2,286	-	2,286
Supplies	331	-	331
Prepaid income taxes	53	(32) c	21
Prepaid expenses and taxes	236	-	236
Other current assets	358	(10) b	348
Total current assets	<u>3,301</u>	<u>218</u>	<u>3,519</u>
<i>Property and equipment</i>			
Less accumulated depreciation and amortization	9,160	-	9,160
Property and equipment, net	(4,384)	-	(4,384)
Property and equipment, net	<u>4,776</u>	<u>-</u>	<u>4,776</u>
Goodwill	3,789	-	3,789
Deferred income taxes	13	-	13
Other assets, net	2,175	(204) b	1,971
Total assets	<u>\$ 14,054</u>	<u>\$ 14</u>	<u>\$ 14,068</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT			
<i>Current liabilities</i>			
Current maturities of long-term debt	\$ 20	\$ -	\$ 20
Current operating lease liabilities	115	-	115
Accounts payable	913	-	913
Accrued liabilities:			
Employee compensation	596	-	596
Accrued interest	222	-	222
Other	479	(30) b	449
Total current liabilities	<u>2,345</u>	<u>(30)</u>	<u>2,315</u>
Long-term debt	11,432	-	11,432
Deferred income taxes	231	(10) c	221
Long-term operating lease liabilities	535	-	535
Other long-term liabilities	828	-	828
Total liabilities	<u>15,371</u>	<u>(40)</u>	<u>15,331</u>
Redeemable noncontrolling interests in equity of consolidated subsidiaries	359	-	359
STOCKHOLDERS' DEFICIT			
<i>Community Health Systems, Inc. stockholders' deficit:</i>			
Preferred stock	-	-	-
Common stock	1	-	1
Additional paid-in capital	2,175	-	2,175
Accumulated other comprehensive loss	(10)	-	(10)
Accumulated deficit	(4,080)	54 d	(4,026)
Total Community Health Systems, Inc. stockholders' deficit	<u>(1,914)</u>	<u>54</u>	<u>(1,860)</u>
Noncontrolling interests in equity of consolidated subsidiaries	238	-	238
Total stockholders' deficit	<u>(1,676)</u>	<u>54</u>	<u>(1,622)</u>
Total liabilities and stockholders' deficit	<u>\$ 14,054</u>	<u>\$ 14</u>	<u>\$ 14,068</u>

Unaudited Pro Forma Condensed Consolidated Statement of Loss
(In millions, except per share amounts)

	Year Ended December 31, 2024		
	As Reported	Pro Forma Adjustments	Pro Forma
<i>Net operating revenues</i>	\$ 12,634	\$ (266) e	\$ 12,368
Operating costs and expenses:			
Salaries and benefits	5,418	(109) e	5,309
Supplies	1,946	(50) e	1,896
Other operating expenses	3,642	(77) e	3,565
Lease cost and rent	299	(3) e	296
Depreciation and amortization	486	(13) e	473
Impairment and (gain) loss on sale of businesses, net	301	(76) d	225
Total operating costs and expenses	<u>12,092</u>	<u>(328)</u>	<u>11,764</u>
Income from operations	542	62	604
Interest expense, net	860	(1)	859
Gain from early extinguishment of debt	(25)	-	(25)
Equity in earnings of unconsolidated affiliates	(10)	1	(9)
Loss before income taxes	(283)	62	(221)
Provision for income taxes	79	19 c, d	98
Net loss attributable to Community Health Systems,	(362)	43	(319)
Less: Net income attributable to noncontrolling interests	154	-	154
Net loss attributable to Community Health Systems, Inc. stockholders	<u>\$ (516)</u>	<u>\$ 43</u>	<u>\$ (473)</u>
<i>Loss per share attributable to Community Health Systems, Inc. stockholders:</i>			
Basic	<u>\$ (3.90)</u>		<u>\$ (3.58)</u>
Diluted	<u>\$ (3.90)</u>		<u>\$ (3.58)</u>
Weighted-average number of shares outstanding:			
Basic	<u>132</u>		<u>132</u>
Diluted	<u>132</u>		<u>132</u>

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following items resulted in adjustments in the unaudited pro forma condensed consolidated financial information:

- a) Adjustment represents cash consideration received from the sale of the Facilities of approximately \$260 million, after giving effect to estimated working capital and purchase price adjustments.
- b) Adjustments represent the elimination of assets and liabilities held for sale attributable to the Facilities.
- c) Adjustments represent the impact to income taxes associated with the sale of the Facilities. For the twelve months ended December 31, 2024, a benefit of approximately \$3 million related to the elimination of revenues, costs and expenses set forth in Note (e) is offset by income tax expense of approximately \$22 million related to the sale. The estimated tax effect of pro forma adjustments is calculated at the statutory rate for the respective period adjusted for discrete impacts including changes in valuation allowances.
- d) Adjustments reflect a \$76 million pre-tax gain (\$54 million after tax) on sale of the Facilities calculated as follows:

Cash received	\$	260
Less: Carrying value of the Facilities		(90)
Less: Goodwill allocated to sale of the Facilities		(94)
Pro forma gain before income taxes		76
Provision for income taxes		(22)
Pro forma net gain on sale of the Facilities	\$	<u>54</u>

- e) Adjustments reflect the elimination of revenues, costs and expenses directly attributable to the Facilities. Adjustments do not include certain general corporate overhead costs previously allocated to the Facilities that will have a continuing effect on the Company post-closing.
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**COMMUNITY HEALTH SYSTEMS COMPLETES DIVESTITURE OF
SHOREPOINT HEALTH SYSTEM IN FLORIDA**

FRANKLIN, Tenn. (March 3, 2025) – Community Health Systems, Inc. (NYSE: CYH) announced today that subsidiaries of the Company have completed the divestiture of ShorePoint Health – Port Charlotte in Port Charlotte, Florida, certain assets of ShorePoint Health – Punta Gorda, in Punta Gorda, Florida, and related businesses to subsidiaries of Adventist Health System Sunbelt Healthcare Corporation (AdventHealth) for \$260 million. The entry into the definitive agreement for this transaction was announced on November 22, 2024, and the closing was effective March 1, 2025.

About Community Health Systems, Inc.

Community Health Systems, Inc. is one of the nation's largest healthcare companies. The Company's affiliates are leading providers of healthcare services, developing and operating healthcare delivery systems in 37 distinct markets across 15 states. The Company's subsidiaries own or lease 73 affiliated hospitals with more than 10,000 beds and operate more than 1,000 sites of care, including physician practices, urgent care centers, freestanding emergency departments, occupational medicine clinics, imaging centers, cancer centers and ambulatory surgery centers.

The Company's headquarters are located in Franklin, Tennessee, a suburb south of Nashville. Shares in Community Health Systems, Inc. are traded on the New York Stock Exchange under the symbol "CYH." More information about the Company can be found on its website at www.chs.net.

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